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THE STEWARDSHIP COUNCIL PROTECTS AND ENHANCES WATERSHED LANDS & USES, AND INVESTS IN EFFORTS TO IMPROVE THE LIVES OF YOUNG CALIFORNIANS THROUGH CONNECTIONS WITH THE OUTDOORS.



### A LETTER FROM THE EXECUTIVE DIRECTOR

Since the inception of the Stewardship Council, we have endeavored to cultivate meaningful relationships with members of the public and stakeholders to ensure our land conservation efforts create a legacy for California and future generations.

Our priorities have always focused on preserving and enhancing six beneficial public values: natural habitat of fish, wildlife and plants; open space; outdoor recreation; agricultural uses; sustainable forestry; and historic and cultural values. This includes both conserving lands in perpetuity and providing opportunities for youth from all walks of life to experience the outdoors.

I am confident that we have kept these public benefits, as well as our organization's core values of collaboration, stewardship, sustainability, discovery, and leadership at the forefront of our work.

As we have crystallized our path forward, we have come to understand that our mission, objectives, and values all carry a common theme: establishing connections and building relationships. By focusing on this, we're building something special that will tie all Californians to the land and to each other for generations to come.

However, this legacy does not belong to the Stewardship Council, our board or even any individual partner. This legacy is for the future of California. The connections we've fostered and relationships we've developed with other organizations, the land, and California's youth will allow the mission of the Stewardship Council to live on long after our work has officially ended.

Through this annual report, we are excited to update you on some of the most significant connections, relationships, and achievements of 2018, including:

- Land donations made this year,
- Progress towards our remaining land donations,
- Environmental enhancements to the lands, and
- Our focus on youth and the future of land stewardship.

While the work is not over, the progress we've made is both rewarding and exciting. With mission completion in sight, over the next few years, I am focused on maintaining our vision and driving toward our goal of preserving and enhancing these lands for the future of California.

Heidi Krrick

### STEWARDSHIP COUNCIL BOARD

The Stewardship Council's Board of Directors is composed of a diverse group of organizations including state and federal agencies, water agencies, tribal and rural interests, forest and farm industry groups, conservation organizations, the California Public Utilities Commission, and Pacific Gas and Electric Company (PG&E). Fifteen different organizations appoint directors to the board. "There are very diverse interests on the board and we require unanimous consent so decisions will endure the test of time compared to a traditional majority rule model," explains Art Baggett, Board President.



"THERE ARE VERY DIVERSE INTERESTS ON THE BOARD, AND WE REQUIRE UNANIMOUS CONSENT SO DECISIONS WILL ENDURE THE TEST OF TIME."

Art Baggett, Board President

### **OFFICERS**

President

**Art Baggett** 

Secretary

**Nancee Murray** 

Treasurer, Asst. Secretary

Mike Schonherr

### **VICE PRESIDENTS**

Chair, Fiduciary Committee, Asst. Treasurer

**Truman Burns** 

Chair, Watershed Planning Committee

**Soapy Mulholland** 

Chair, Youth Investment Committee

**David Muraki** 

### **DIRECTORS**

**Association of California Water Agencies** 

Dave Eggerton

Alternate Melissa Sparks-Kranz

California Department of Fish and Wildlife

Nancee Murray

Alternate OPEN

California Farm Bureau Federation

Karen Mills

Alternate Noelle Cremers

**California Forestry Association** 

Kirstin Kolpitcke

Alternate George Gentry

California Hydropower Reform Coalition

Pete Bell

Alternate Richard Roos-Collins

California Public Utilities Commission

Allison Brown

Alternate Deidre Cyprian

**California Public Utilities Commission** 

(Public Appointees)

Art Baggett, David Muraki, Chris Nota

**California Natural Resources Agency** 

Wade Crowfoot

Alternate OPEN

**California Tribal Interests** 

Larry Myers

Alternate Ken Tipon

**Central Valley Regional Water Quality Control Board** 

Soapy Mulholland

Alternate Robert Schneider

**Public Advocates Office, CPUC** 

Truman Burns

Alternate OPEN

**Pacific Gas & Electric Company** 

Mike Schonherr

Alternate Rebecca Doidge

**Rural Counties Representatives of California** 

Lee Adams

Alternate John Viegas

**State Water Resources Control Board** 

DeeDee D'Adamo

Alternate Jeffrey Parks

The Trust for Public Land

**David Sutton** 

Alternate John McCamman

**U.S. Forest Service** 

Jerry Bird



# LAND PROGRAM

The Stewardship Council's Land Conservation Program exists to ensure that over 140,000 acres of PG&E Watershed Lands throughout California are protected for future generations with a focus on a broad range of beneficial public values. This mission is achieved through establishing conservation easements and making land donations to organizations who will conserve these lands for public benefit in perpetuity.

### LAND PROGRAM

# PROGRESS TOWARD MISSION COMPLETION

In January 2019 the Stewardship Council achieved a major milestone when we recommended all remaining land donations to the respective land stewardship organizations, bringing us closer toward our goal of protecting 140,000 acres of land within our purview.

We were able to make this progress by continuing to solidify our connection and communication with key partners in the land conservation process, including PG&E. This has allowed us to work through and alleviate challenges, guarantee an even more transparent process, cultivate increased public en-

19,653

ACRES APPROVED FOR CONSERVATION IN 2018

gagement, and honor consensus-based decision making.

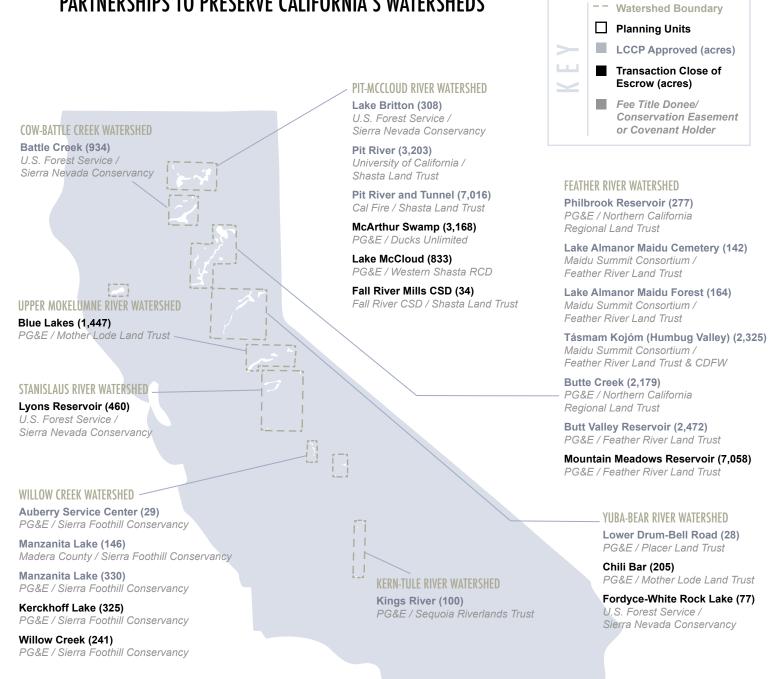
Although all partner organizations have been assigned with respect to land ownership for the final remaining properties, the specific agreements for how the lands will be cared for in perpetuity are in the process of being negotiated.

Negotiations and approvals of each transaction take an average of 26 months. Each transaction has its own story and nuances, and each story is part of preserving California's lands for the future. The following pages include two of our most impactful stories from 2018.

### ACTUAL & ANTICIPATED LCCP'S APPROVED BY BOARD

2013	2014	2015	2016	2017	2018		
5	12	6	16	15	15	21	8
						2019	2020

### 2018 LAND ACQUISITIONS & PARTNERSHIPS TO PRESERVE CALIFORNIA'S WATERSHEDS



### **ACTUAL & ANTICIPATED CLOSE OF ESCROW**



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### LAND PROGRAM - HUMBUG VALLEY



# PRESERVATION OF TÁSMAM KOJÓM (HUMBUG VALLEY): A STORY OF COM-MUNITY, HEALING, AND PARTNERSHIP

2018 saw the finalization and approval of a historic plan to donate 2,325 acres of ancestral land known as Humbug Valley or Tásmam Kojóm, to the Maidu Summit Consortium (MSC). It also marks a significant milestone for the Stewardship Council as one of the largest tribal land donations to date. But most importantly, this project will establish a lasting connection between land, native culture and diverse communities.

The Stewardship Council Board of Directors and staff are honored to play a role in the historic transfer of Tásmam Kojóm to the Maidu people. Returning stewardship of the land to the Maidu will help to ensure the protection of this biologically and culturally significant landscape.

According to Kenneth Holbrook, director of the MSC, Maidu ownership of this land provides an essential "social safety net" for future generations and gives hope for the longevity of the Maidu people. Holbrook noted, "It's now easy to envision a whole new future for Maidu children and grandchildren...they'll be

guaranteed, in perpetuity, a place for spiritual practices and communing with the landscape that they don't have the opportunity to do anywhere else." Ownership of the land by the MSC will allow Maidu cultural heritage to be nurtured, while also providing education and employment opportunities in support of next generations of Maidu people and community partners.

The effects of this donation have significant meaning beyond the tribal identity and community. This project helped form a new dialogue around land stewardship and conservation in California. Although engaging in the Stewardship Council's process was challenging at times for the MSC, doing so created meaningful connections and partnerships between important and previously disparate conservation groups.

Being compelled to create a land management plan helped forge a new and essential relationship between the MSC and a group that was once competing with the Maidu for Tásmam Kojóm ownership: the California Department of



Fish and Wildlife (CDFW). Holbrook, and the Maidu also forged a meaningful relationship with the Feather River Land Trust, the local land trust in the region. This is a unique partnership where these three entities that have not always been in alignment learned to work with each other to forge an important alliance centered around the protection and enhancement of this significant valley and culture. It also encouraged other stakeholders and community groups to step up as allies offering support.

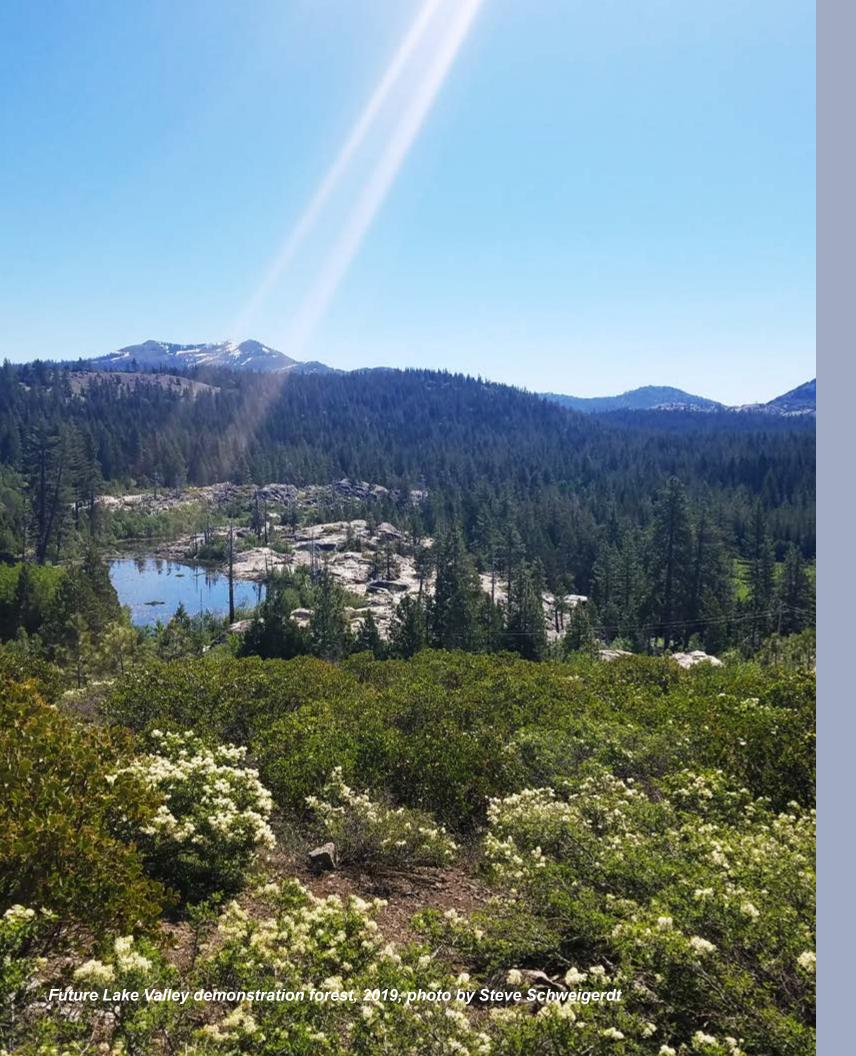
Working with the Stewardship Council and its transaction process "opened a floodgate, offering new channels of overall support and technical support that MSC wouldn't have otherwise had," said Holbrook. The Stewardship Council also made financial and resource investments in the MSC to ensure they have the infrastructure and capacity to achieve their land management and conservation goals.

A HISTORIC LAND DONATION
SHOWCASING THE POWER
OF COMBINING TRADITIONAL
ECOLOGICAL KNOWLEDGE
WITH WESTERN SCIENCE

The final result is an actionable plan for Tásmam Kojóm that will include the establishment of a Maidu Cultural Park modeled after national parks, including a system of trails, cultural and visitor centers, and a partnership with the CDFW for land management that features time-honored Maidu traditional ecological knowledge of land conservation practices such as burning and pruning.

This experience has united and strengthened the Maidu and has been a learning process for members of the Stewardship Council. The Maidu people have taught those involved that the land speaks to the people and guides them in their management activities. The deep spiritual connection creates a whole new system of communication that is available for all people if we can take time to listen and focus.

The relationship between the MSC and project partners has paved the way for future positive experiences between similar organizations. The model developed at Tásmam Kojóm is garnering national attention. Stewardship Council Executive Director Heidi Krolick, and MSC's Ken Holbrook, both agree that this project is a showcase of collaboration and the potential of the incredible power of combining traditional ecological knowledge with the practices of western science to achieve lasting benefits.





# CAL FIRE DEMONSTRATION FORESTS BLAZING A TRAIL THAT CONNECTS US TO THE FUTURE

The unprecedented scale of devastating 2018 wildfires throughout California reinforced a clear need for more public investment in forest management, fire prevention and understanding the effects of climate change. Land donations underway for the California Department of Forestry and Fire Protection, or CAL FIRE, a state agency committed to fire prevention and natural resource protection, aims to address these needed investments.

15,000

ACRES TO BE DONATED

TO CAL FIRE TO PRACTICE

ECOLOGICALLY & FINANCIALLY

SUSTAINABLE FORESTRY

The donations to CAL FIRE will add up to approximately 15,000 acres of land in six different watersheds and is the culmination of nearly a decade of negotiation, planning and relationship building. The Stewardship Council is excited by the final outcome of this agreement and believes that CAL FIRE and the conservation easement holders for each of the forests will be able to carry a legacy of conservation forward that will benefit all Californians for generations to come.

With a focus on the future of this land, sustainable forestry and climate change research, CAL FIRE will create six new Demonstration Forests in these distinct watersheds spread across the central and northern Sierra Nevada and the southern Cascades. "Given the new realities of climate change, droughts, and larger, more intense wildfires, we envision these Demonstration Forests as destinations for monitoring, adaptive management, education and research of best management practices to support forestry enterprises that are both ecologically and financially sustainable across a range of (Cont.)

### LAND PROGRAM – CAL FIRE

(Cont.) key California forest types," says Helge Eng, Deputy Director of Resource Management for CAL FIRE. In consultation with the conservation easement holders, CAL FIRE will create management plans for each Demonstration Forest that will blaze new trails on the land and in research to benefit safety and ecological health with significant impacts in the following areas:

#### PRESERVING BIOLOGICAL RESOURCES

CAL FIRE's new Demonstration Forests will serve as habitat restoration areas and ecosystems for the study of climate change mitigation. The research performed in these forests will help uncover ways to minimize risks of fire and invasive insect attacks on trees, especially as each relates to climate change.



#### **INCREASING PUBLIC RECREATION**

CAL FIRE will establish rustic campgrounds, publicly-accessible hiking and riding trails, resources for self-guided tours, and youth science camps in the new Demonstration Forests. These trails and youth programs will ensure access for generations of Californians that may not have previously existed.

Of all the exciting outcomes this land donation will yield, Stewardship Council Land Conservation Program Manager Steve Schweigerdt is most excited about the public access component. "As a mountain biker, some of the best trail systems in California are on Demonstration Forests at Soquel and Boggs Mountain. CAL FIRE has been great at partnering with local groups to develop these systems and I'm excited to see more trail systems like these spread across the Sierra – especially along the I-80 corridor," says Schweigerdt. Currently, most PG&E-owned lands offer access, but do not include extensive trail systems. The commitment by CAL FIRE to allow and create opportunities for all Californians to explore these new Demonstration Forests will guarantee a permanent connection between land and people.



#### **ADVANCING NATIVE CULTURAL VALUES**

CAL FIRE will also ensure native values and voices are an essential part of the conversation and process as it relates to these donated lands. They have established a Native American Advisory Council to consult on land usage and management, to inform and guide future uses that celebrate human connections with the land throughout its cultural history, and to ensure protection of cultural resources on the lands.







# MERCED FALLS ENHANCEMENT PROJECT: A STORY OF REVITALIZATION & ACCESS

With funding from the Stewardship Council's Enhancement Program, the Sierra Foothill Conservancy (SFC) was able to restore a section of riverbank along the Merced Falls Reservoir. The property is located approximately twenty miles west of Yosemite National Park on the eastern border of Mariposa County. The project improved habitat, removed invasive plants, and improved the area for public use.

The initiation and ultimate completion of this project signals a joint effort between the Merced Irrigation District and the SFC to steward the property and enhance the beneficial public values it contains. The property was purchased by the Merced Irrigation District in 2017 and a conservation easement was recorded and is held by the SFC.

Not only did this project provide enhancement and protection of wildlife habitat, it also allowed youth from around the state to be involved in restoring, maintaining and connecting with this land. The staff at SFC engaged young people from the Greater Valley Conservation Corps to remove nonnative plants and prepare the areas to be planted. Youth volunteers from Nature Force, a high school leadership

program - supported by the Stewardship Council through the Watershed Grant Program, a joint effort involving Youth Outside, California Council of Land Trusts (CCLT) and PG&E - helped install native plants, protective fences around the plants, and irrigation systems to support the plants ability to establish and survive, reducing the need for manual labor and ensuring long-term project success.

For these young people, the Merced Falls enhancement project was much more than participating in physical restoration. They engaged in hands-on leadership opportunities around conservation management and

THIS PROJECT EXEMPLIFIES
INCREASED ACCESS,
NATURE CONNECTEDNESS &
LEADERSHIP DEVELOPMENT

environmental education. Through this experience, the youth were also exposed to future green job opportunities and new careers at a time in their lives important for gaining experiences that will open doors to their future.

The execution of this project exemplifies increased access, nature connectedness and leadership development. Fostering relationships between staff and leaders from local youth organizations opens new

opportunities for more people to enjoy, learn from, and appreciate the protected lands through activities like backpacking, field trips, and other activities. These relationships have also cultivated connections for collective creativity and partnerships. For example, new opportunities for grants and funding have been garnered to build trails and other amenities on these lands, increasing opportunities for public access.



# YOUTH PROGRAM

In addition to its land conservation efforts, the Stewardship Council is also keenly focused on the future stewards of the land - the youth of California. That focus has resulted in three significant program investments, all aimed at ensuring equitable outdoor access for all young people and developing the next generation of diverse conservation leaders.





# BUILDING A CULTURE OF CONSERVATION WITH CALIFORNIA'S YOUTH

In 2013, the Stewardship Council made a significant investment in the relationship between young people and California lands by establishing a permanent public benefit organization to carry on the work of connecting youth to the outdoors. Since its creation, Youth Outside, a 501c3 public charity, has become a recognized leader in the field to ensure all youth have equitable access to meaningful outdoor experiences and the opportunity to be stewards of our natural resources. Youth Outside will continue to create and nurture opportunities for youth to be natural resource stewards long after the Stewardship Council's work has been completed.

As part of the 2013 investment, the Stewardship Council board targeted \$425,000 of the grant funds for the development of a program to connect youth to the PG&E Watershed Lands. A key component of this program is development of a model and best practices for the creation of partnerships between youth program providers and land trusts that will hold conservation easements on PG&E Watershed Lands. The Watershed Grant Program is a collaborative effort with Youth Outside, CCLT, and PG&E.

Finally, the Stewardship Council provided the primary funding for a unique intern program that attracts, recruits, and prepares future land trust and conservation leaders. The diverse group of interns in the CCLT Training and Apprenticeship Program (TAP), reflects the changing demographics of the state of California. For the past three years the Stewardship Council has provided financial support for this worthwhile program.

The following pages highlight 2018 achievements for these important efforts.



#### YOUTH PROGRAM - YOUTH OUTSIDE



# BUILDING RELATIONSHIPS FOR THE FUTURE

Youth Outside experienced tremendous growth in 2018 reaching over 11,960 youth from communities typically underrepresented in the outdoors, removing barriers to access by awarding \$695,000 in transformative grants to 36 youth and land-focused organizations. Youth Outside provided training and workforce development skills for 68 emerging outdoor leaders.

According to Laura Rodriguez, Youth Outside's Director of Programs, "Every aspect of our work has relied on cultivating relationships." Two of the most impactful grantee relationships Youth Outside fostered in 2018 are presented below.

For full details on all grant recipients who benefited from funding through Youth Outside, visit youthoutside.org/grantmaking

### CALIFORNIA INDIAN MUSEUM & CULTURAL CENTER - STRENGTHENING TIES TO ANCESTRAL LANDS

The California Museum and Cultural Center (CMCC) used a two-year grant from Youth Outside to reconnect tribal youth with their culture, lands and each other.

As part of their unique Native Youth programs, the CMCC hosted an outdoor education series with special tribal cultural consultants. This program nurtured 20 new stewards of tribal ancestral lands by building connections and traditional ecological awareness.

Participants documented information about native plants, medicine and traditional foods. They also learned long-held tribal knowledge of how to care for the environment. According to these participants, they gained a renewed sense of pride in their communities, and ties to the land, learning about native plants for medicine and food, and creating business plans.

For more information about CMCC and their tribal youth program, visit cimcc.org





#### MOVIMIENTO – HEALING THROUGH NATURE

In its second year of a two-year grant from Youth Outside, Movimiento expanded their nature-based therapeutic youth programs. Their Outdoor Wellness Adventures program offers underrepresented youth, many whom recently immigrated to the United States, free ongoing experiences in nature combined with professional counseling aimed at aiding in trauma recovery. Most of the participants

reported increased mental well-being and a deeper understanding of our human impact on the earth and our role as environmental stewards.

For more information about Movimiento and their youth programming, visit movimagine.org/movimiento

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### DEVELOPING A GENERATION OF DIVERSE OUTDOOR CONSERVATION LEADERS

Focusing on PG&E-owned in the Feather River watershed land conservation and youth innovative youth programs One of the techniques the organizations. on PG&E land. Both of these program employed, known by the Watershed Grant inventory of the watershed THE AMBASSADORS Program and demonstrated ecosystems the value of teamwork and communication of findings leadership through outdoor with fellow crew members. The SFC partnered with experiences. These programs Participants witnessed how Ethos to grow and develop also helped pave the way trash and pollution negatively their Ambassadors program for increased public access to PG&E-owned

#### THE P-CREW

This group of young people,

and then **PROGRAM** affect delicate ecosystems. - a youth organization focuslands. Executive Director for the ing on outdoor leadership op-CCLT, Ane Deister who is portunities. The Ambassadors responsible for building a program allows high school serving organizations and land skills through field ecology The Feather River Land Trust trusts to partner collaboratively experiences. In 2018, this partnered with Sierra Institute on the Watershed Lands, program began engaging for the Environment to form said that this partnership has experienced Ambassadors a volunteer youth brigade helped "positively redefine as teachers and trainers for Conservation, Restoration and has previously been difficult. Young people overcame their Through this process these fears of engaging with nature relationships have been through camping, backpacklocal youth, stewarded lands the Stewardship Council's on PG&E Watershed Lands.

Watershed Lands, two groups by providing cleanup services, program missions, forging of youth program providers building fences, and engaging partnerships between land

## OFFERING PROFESSIONAL OPPORTUNITIES TO TOMORROW'S CONSERVATION LEADERS

In 2018 the Stewardship Council provided CCLT with a grant to continue a second year of the TAP. In the program's second year, TAP's summer intern program continued to foster increase the cultural and ethnic diversity of young people in the land conservation industry. CCLT recruits and screens summer interns and partners with land trusts that will host the intern. CCLT provides each intern with and conservation community. During their time with each stewardship group efforts vary,

employees, working on development projects

For the young people that participate in TAP, more than just a summer job. One success story of this program is an intern that prepared a grant application that generated \$250,000 for restoration of wetlands as part of a mitigation requirement.





# FINANCIALS

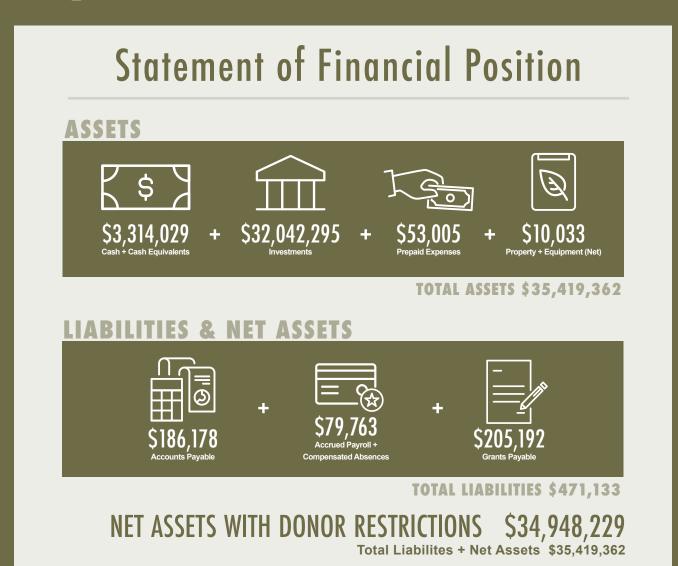
The Stewardship Council was funded by PG&E with \$100 million to implement a dual mission to protect and enhance 140,000 acres of Watershed Lands and to connect underserved youth to the outdoors. Of these funds, \$70 million was set aside to protect and enhance lands and \$30 million was allocated for the youth investment initiative. The Stewardship Council board has thoughtfully managed these funds and strategically invested in a portfolio that primarily utilizes conservative fixed income mutual funds to optimize diversification, preserve principal, and maintain liquidity. As of December 31, 2018 the Stewardship Council had \$35.4 million in total liabilities and net assets.

### **FINANCIALS**

### STEWARDING CONSERVATION FINANCES

From its inception through 2018, the Stewardship Council has spent more than \$44 million to protect and enhance the Watershed Lands. As we approach mission completion, the Stewardship Council anticipates granting a total of approximately \$18 million to the holders of conservation easements and covenants that will protect land in perpetuity, and up to \$14 million for projects that will enhance the protected lands.

For fully detailed financial statements, visit stewardshipcouncil.org/public\_information/financial\_statements.htm



### \$100 MILLION PG&E FUNDING

\$70 MILLION LAND CONSERVATION



\$30 MILLION YOUTH INVESTMENT



\$46 K balance end of 2018

### Statement of Activities

NET ASSETS BEGINNING OF 2018 \$38,138,128 + NET INVESTMENT INCOME \$611,788 - EXPENSES \$3,801,677

> NET ASSETS END OF 2018 \$34,948,229

\$64,179 EN YOUTH INVESTMENT inclusive of \$50,000 in Grants

\$3,737,043
LAND CONSERVATION inclusive of \$1,872,171 in Grants

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